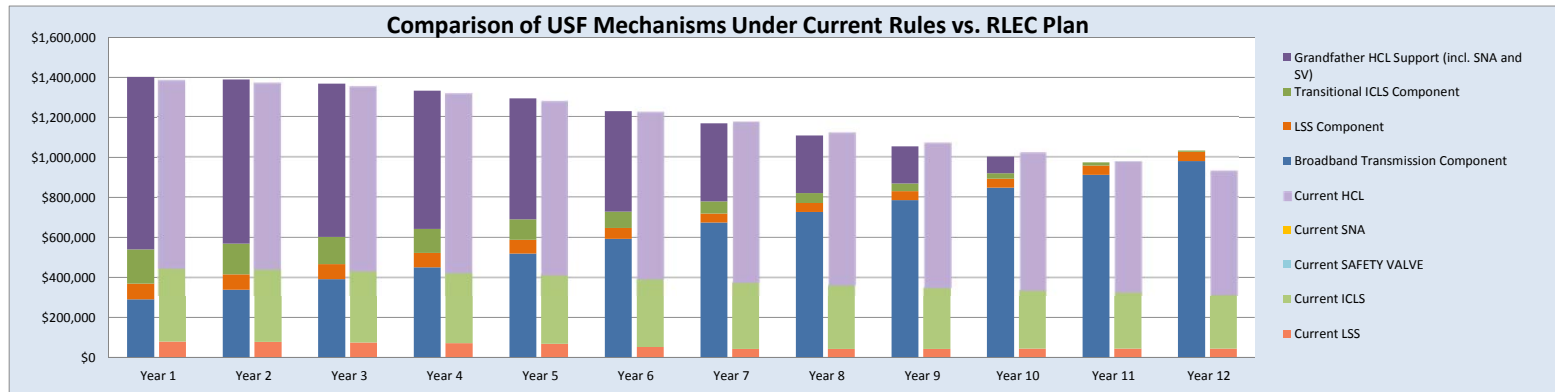


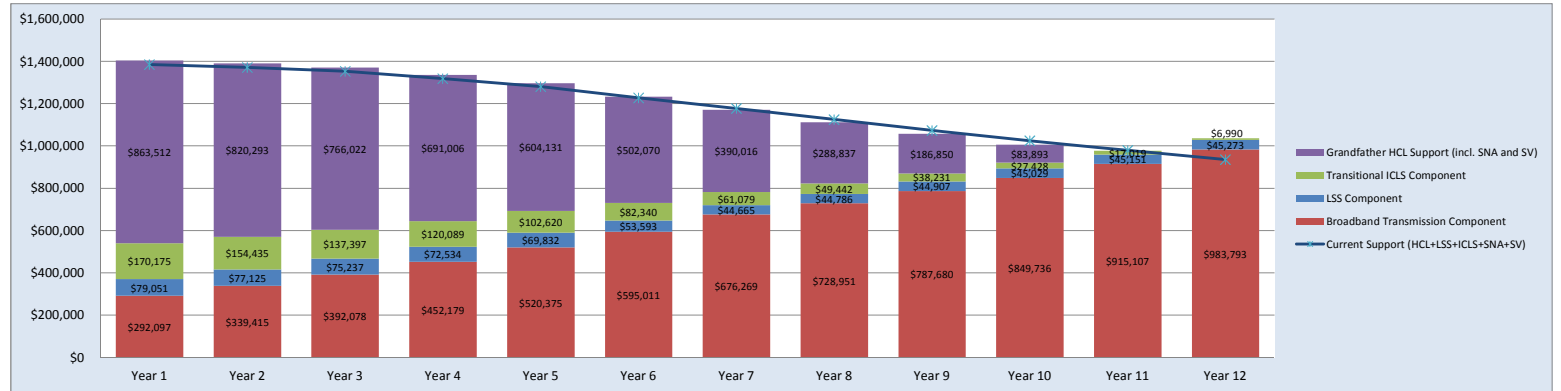
Analysis of USF Impact Proposed RLEC Plan
ILEC Company A



CAF Impact Projections @ 10% 12 Year Transition vs. Current Support @ 11.25%

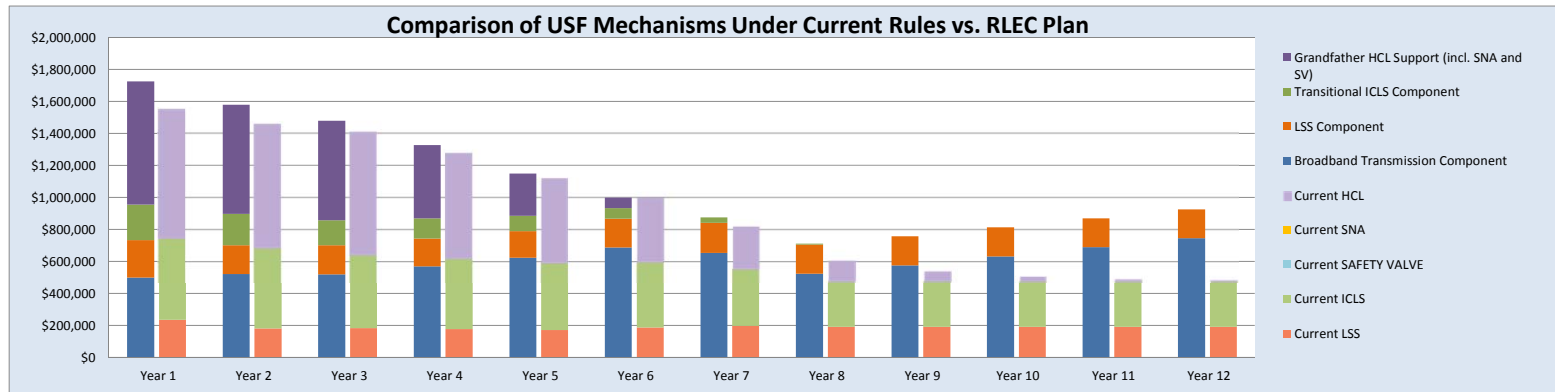
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Current Support at 11.25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
HCL	\$936,260	\$929,147	\$918,404	\$893,509	\$864,732	\$833,950	\$800,779	\$760,270	\$721,810	\$685,296	\$650,628	\$617,715
SNA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY VALVE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ICLS	\$367,053	\$363,600	\$357,641	\$351,569	\$345,708	\$340,184	\$331,400	\$318,865	\$306,804	\$295,198	\$284,032	\$273,289
LSS	\$80,712	\$78,457	\$76,242	\$73,123	\$70,002	\$53,674	\$44,737	\$44,773	\$44,809	\$44,845	\$44,881	\$44,917
Current Support (HCL+LSS+ICLS+SNA+SV)	\$1,384,026	\$1,371,204	\$1,352,287	\$1,318,200	\$1,280,441	\$1,227,808	\$1,176,916	\$1,123,908	\$1,073,422	\$1,025,339	\$979,542	\$935,921
<u>CAF Impact Projections @ 10% 12 Year Transition</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
Broadband Transmission Component	\$292,097	\$339,415	\$392,078	\$452,179	\$520,375	\$595,011	\$676,269	\$728,951	\$787,680	\$849,736	\$915,107	\$983,793
LSS Component	\$79,051	\$77,125	\$75,237	\$72,534	\$69,832	\$53,593	\$44,665	\$44,786	\$44,907	\$45,029	\$45,151	\$45,273
Transitional ICLS Component	\$170,175	\$154,435	\$137,397	\$120,089	\$102,620	\$82,340	\$61,079	\$49,442	\$38,231	\$27,428	\$17,019	\$6,990
Grandfather HCL Support (incl. SNA and SV)	\$863,512	\$820,293	\$766,022	\$691,006	\$604,131	\$502,070	\$390,016	\$288,837	\$186,850	\$83,893	\$0	\$0
Total USF Support	\$1,404,835	\$1,391,267	\$1,370,733	\$1,335,807	\$1,296,959	\$1,233,014	\$1,172,028	\$1,112,016	\$1,057,668	\$1,006,086	\$977,277	\$1,036,056
Impact on USF:	\$20,810	\$20,064	\$18,446	\$17,607	\$16,517	\$5,207	(\$4,888)	(\$11,892)	(\$15,755)	(\$19,253)	(\$2,265)	\$100,136

**Analysis of USF Impact Proposed RLEC Plan
ILEC Company A**



Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
1.) Projected USF Support Under Proposed Plan	\$1,404,835	\$1,391,267	\$1,370,733	\$1,335,807	\$1,296,959	\$1,233,014	\$1,172,028	\$1,112,016	\$1,057,668	\$1,006,086	\$977,277	\$1,036,056
2.) USF Support as of Year 1 Under Current Rules	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026	\$1,384,026
3.) Impact over Year 1 USF Support (Ln 1 - Ln 2)	\$20,810	\$7,242	(\$13,292)	(\$48,218)	(\$87,067)	(\$151,011)	(\$211,997)	(\$272,009)	(\$326,358)	(\$377,940)	(\$406,749)	(\$347,969)
Percent Change in USF Compared to Year 1:	1%	1%	-1%	-4%	-7%	-12%	-18%	-24%	-31%	-38%	-42%	-34%
4.) Projected USF Support Under Proposed Plan	\$1,404,835	\$1,391,267	\$1,370,733	\$1,335,807	\$1,296,959	\$1,233,014	\$1,172,028	\$1,112,016	\$1,057,668	\$1,006,086	\$977,277	\$1,036,056
5.) Projected USF Support Under Current Rules	\$1,384,026	\$1,371,204	\$1,352,287	\$1,318,200	\$1,280,441	\$1,227,808	\$1,176,916	\$1,123,908	\$1,073,422	\$1,025,339	\$979,542	\$935,921
6.) Impact on USF (Ln 4 - Ln 5)	\$20,810	\$20,064	\$18,446	\$17,607	\$16,517	\$5,207	(\$4,888)	(\$11,892)	(\$15,755)	(\$19,253)	(\$2,265)	\$100,136
Percent Change in USF:	2%	1%	1%	1%	1%	0%	0%	-1%	-1%	-2%	0%	11%
7.) Major Components Impacting Change in USF:												
a.) Middle Mile Component	\$4,806	\$5,062	\$5,319	\$5,575	\$5,831	\$6,152	\$6,472	\$6,600	\$6,731	\$6,864	\$7,000	\$7,139
b.) Broadband Interoffice Cost	\$90,025	\$88,941	\$86,952	\$84,900	\$82,890	\$71,730	\$62,391	\$55,037	\$48,549	\$42,826	\$37,777	\$33,324
c.) Phase in of Broadband Loop Cost	\$29,991	\$67,977	\$113,561	\$166,890	\$228,320	\$303,061	\$385,559	\$449,960	\$516,913	\$586,497	\$658,794	\$733,887
c.) Effect of 10% Rate of Return	(\$63,091)	(\$59,822)	(\$56,129)	(\$51,224)	(\$46,198)	(\$41,366)	(\$36,617)	(\$51,224)	(\$46,198)	(\$41,366)	(\$36,617)	(\$31,886)
d.) Corporate Operations Expense Limitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e.) Broadband Benchmark	(\$40,921)	(\$82,096)	(\$131,256)	(\$188,533)	(\$254,326)	(\$334,370)	(\$422,693)	(\$472,264)	(\$541,749)	(\$614,074)	(\$669,220)	(\$642,329)
Total Change	\$20,810	\$20,064	\$18,446	\$17,607	\$16,517	\$5,207	(\$4,888)	(\$11,892)	(\$15,755)	(\$19,253)	(\$2,265)	\$100,136
8.) Projected Broadband Take Rates:	52.82%	56.83%	61.03%	65.41%	70.00%	75.59%	81.45%	84.43%	87.51%	90.71%	94.02%	97.45%

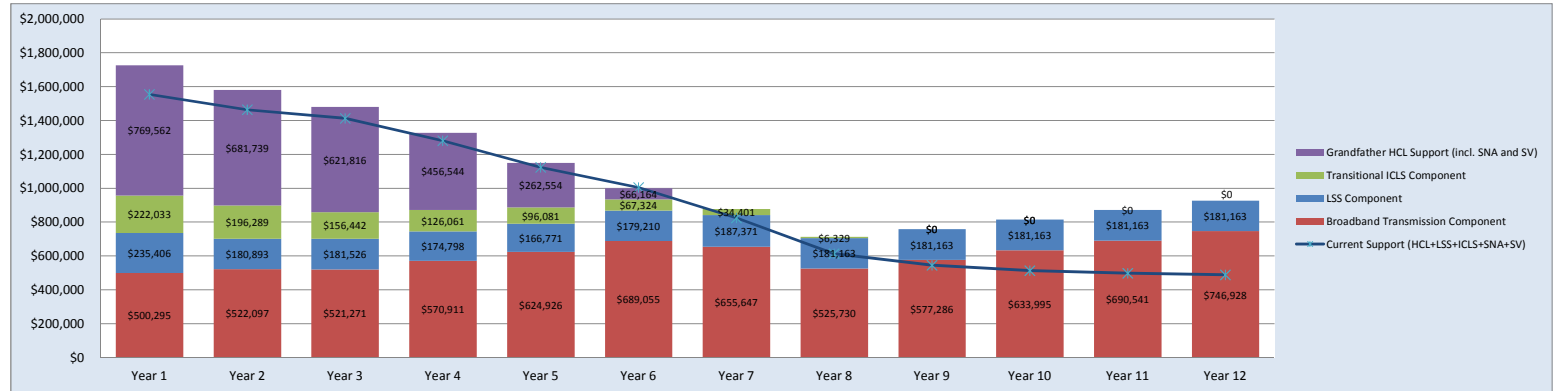
Analysis of USF Impact Proposed RLEC Plan
ILEC Company B



CAF Impact Projections @ 10% 12 Year Transition vs. Current Support @ 11.25%

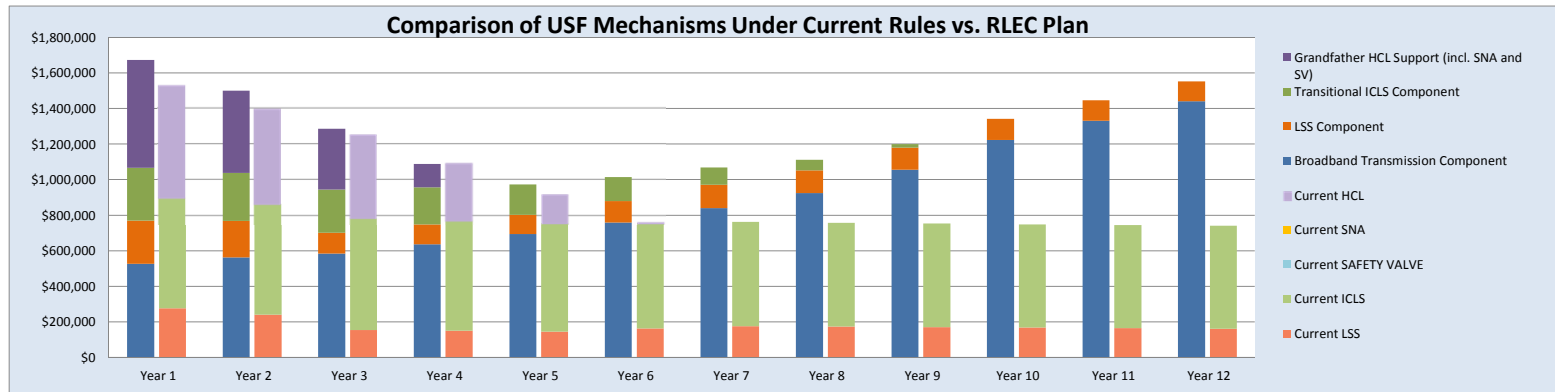
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Current Support at 11.25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
HCL	\$807,231	\$774,770	\$767,237	\$659,139	\$527,433	\$405,272	\$268,131	\$131,396	\$64,389	\$31,554	\$15,463	\$7,577
SNA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY VALVE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ICLS	\$511,076	\$505,696	\$459,493	\$441,177	\$423,283	\$411,554	\$358,786	\$288,498	\$288,498	\$288,498	\$288,498	\$288,498
LSS	\$237,526	\$183,898	\$185,980	\$179,820	\$172,329	\$188,123	\$198,798	\$193,338	\$193,338	\$193,338	\$193,338	\$193,338
Current Support (HCL+LSS+ICLS+SNA+SV)	\$1,555,833	\$1,464,364	\$1,412,710	\$1,280,136	\$1,123,045	\$1,004,949	\$825,715	\$613,232	\$546,225	\$513,390	\$497,299	\$489,413
<u>CAF Impact Projections @ 10% 12 Year Transition</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
Broadband Transmission Component	\$500,295	\$522,097	\$521,271	\$570,911	\$624,926	\$689,055	\$655,647	\$525,730	\$577,286	\$633,995	\$690,541	\$746,928
LSS Component	\$235,406	\$180,893	\$181,526	\$174,798	\$166,771	\$179,210	\$187,371	\$181,163	\$181,163	\$181,163	\$181,163	\$181,163
Transitional ICLS Component	\$222,033	\$196,289	\$156,442	\$126,061	\$96,081	\$67,324	\$34,401	\$6,329	\$0	\$0	\$0	\$0
Grandfather HCL Support (incl. SNA and SV)	\$769,562	\$681,739	\$621,816	\$456,544	\$262,554	\$66,164	\$0	\$0	\$0	\$0	\$0	\$0
Total USF Support	\$1,727,296	\$1,581,019	\$1,481,055	\$1,328,314	\$1,150,332	\$1,001,753	\$877,419	\$713,222	\$758,449	\$815,158	\$871,704	\$928,091
Impact on USF:	\$171,463	\$116,655	\$68,345	\$48,177	\$27,287	(\$3,196)	\$51,704	\$99,990	\$212,224	\$301,768	\$374,405	\$438,677

**Analysis of USF Impact Proposed RLEC Plan
ILEC Company B**



Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
1.) Projected USF Support Under Proposed Plan	\$1,727,296	\$1,581,019	\$1,481,055	\$1,328,314	\$1,150,332	\$1,001,753	\$877,419	\$713,222	\$758,449	\$815,158	\$871,704	\$928,091
2.) USF Support as of Year 1 Under Current Rules	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833	\$1,555,833
3.) Impact over Year 1 USF Support (Ln 1 - Ln 2)	\$171,463	\$25,186	(\$74,778)	(\$227,520)	(\$405,501)	(\$554,080)	(\$678,414)	(\$842,611)	(\$797,384)	(\$740,675)	(\$684,129)	(\$627,743)
Percent Change in USF Compared to Year 1:	10%	2%	-5%	-17%	-35%	-55%	-77%	-118%	-105%	-91%	-78%	-68%
4.) Projected USF Support Under Proposed Plan	\$1,727,296	\$1,581,019	\$1,481,055	\$1,328,314	\$1,150,332	\$1,001,753	\$877,419	\$713,222	\$758,449	\$815,158	\$871,704	\$928,091
5.) Projected USF Support Under Current Rules	\$1,555,833	\$1,464,364	\$1,412,710	\$1,280,136	\$1,123,045	\$1,004,949	\$825,715	\$613,232	\$546,225	\$513,390	\$497,299	\$489,413
6.) Impact on USF (Ln 4 - Ln 5)	\$171,463	\$116,655	\$68,345	\$48,177	\$27,287	(\$3,196)	\$51,704	\$99,990	\$212,224	\$301,768	\$374,405	\$438,677
Percent Change in USF:	11%	8%	5%	4%	2%	0%	6%	16%	39%	59%	75%	90%
7.) Major Components Impacting Change in USF:												
a.) Middle Mile Component	\$33,962	\$35,821	\$37,807	\$39,858	\$42,101	\$44,407	\$46,842	\$49,406	\$49,406	\$49,406	\$49,406	\$49,406
b.) Broadband Interoffice Cost	\$271,240	\$235,580	\$206,484	\$205,665	\$204,880	\$204,285	\$196,012	\$183,835	\$183,835	\$183,835	\$183,835	\$183,835
c.) Phase in of Broadband Loop Cost	\$45,230	\$100,157	\$154,791	\$220,269	\$291,332	\$375,116	\$411,736	\$388,383	\$436,930	\$485,478	\$534,026	\$582,574
c.) Effect of 10% Rate of Return	(\$9,151)	(\$6,651)	(\$694)	\$10,747	\$25,899	\$36,145	\$482	\$10,747	\$25,899	\$36,145	\$482	\$2,518
d.) Corporate Operations Expense Limitation	(\$8,205)	(\$13,153)	(\$18,206)	(\$23,349)	(\$28,604)	(\$33,963)	(\$57,505)	(\$71,057)	(\$74,314)	(\$77,572)	(\$80,829)	(\$84,086)
e.) Broadband Benchmark	(\$161,613)	(\$235,099)	(\$311,837)	(\$405,011)	(\$508,320)	(\$629,186)	(\$545,865)	(\$461,323)	(\$409,532)	(\$375,524)	(\$312,515)	(\$295,570)
Total Change	\$171,463	\$116,655	\$68,345	\$48,177	\$27,287	(\$3,196)	\$51,704	\$99,990	\$212,224	\$301,768	\$374,405	\$438,677
8.) Projected Broadband Take Rates:	58.63%	63.09%	67.89%	73.00%	78.68%	84.62%	91.03%	97.97%	100.00%	100.00%	100.00%	100.00%

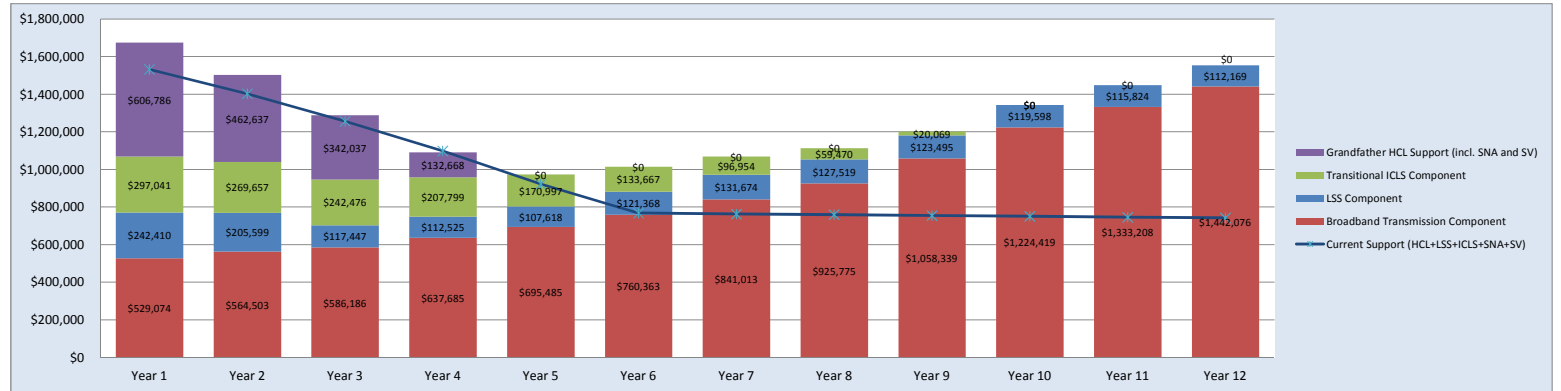
Analysis of USF Impact Proposed RLEC Plan
ILEC Company C



CAF Impact Projections @ 10% 12 Year Transition vs. Current Support @ 11.25%

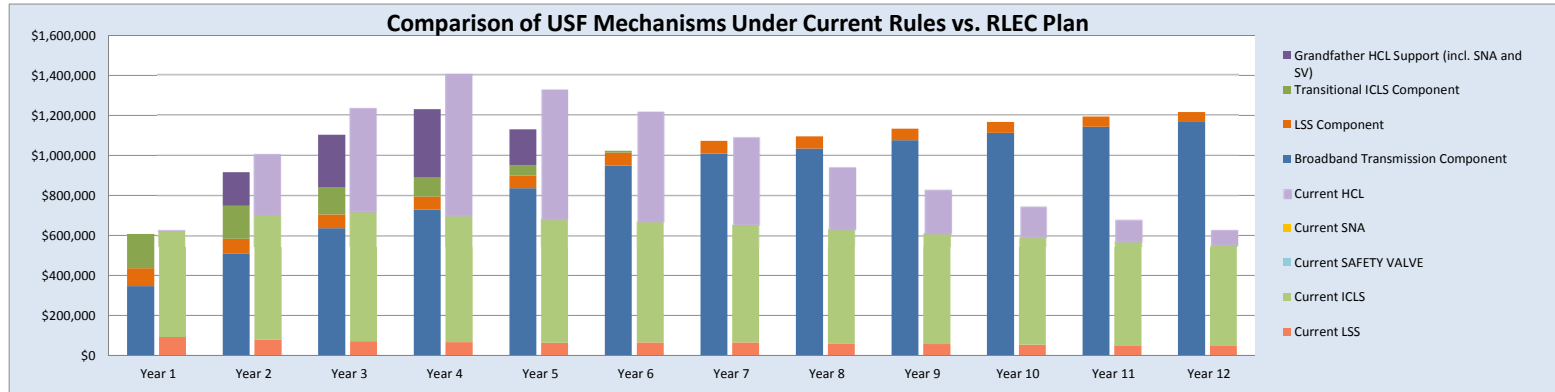
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Current Support at 11.25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
HCL	\$632,029	\$537,566	\$473,470	\$328,301	\$165,490	\$11,466	\$0	\$0	\$0	\$0	\$0	\$0
SNA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY VALVE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ICLS	\$620,709	\$622,382	\$628,505	\$618,305	\$609,535	\$591,255	\$585,661	\$584,186	\$582,715	\$581,247	\$579,784	\$578,323
LSS	\$278,978	\$242,216	\$155,234	\$151,322	\$147,403	\$164,949	\$178,211	\$175,237	\$172,313	\$169,437	\$166,609	\$163,829
Current Support (HCL+LSS+ICLS+SNA+SV)	\$1,531,716	\$1,402,164	\$1,257,209	\$1,097,928	\$922,428	\$767,670	\$763,872	\$759,423	\$755,027	\$750,684	\$746,393	\$742,153
<u>CAF Impact Projections @ 10% 12 Year Transition</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
Broadband Transmission Component	\$529,074	\$564,503	\$586,186	\$637,685	\$695,485	\$760,363	\$841,013	\$925,775	\$1,058,339	\$1,224,419	\$1,333,208	\$1,442,076
LSS Component	\$242,410	\$205,599	\$117,447	\$112,525	\$107,618	\$121,368	\$131,674	\$127,519	\$123,495	\$119,598	\$115,824	\$112,169
Transitional ICLS Component	\$297,041	\$269,657	\$242,476	\$207,799	\$170,997	\$133,667	\$96,954	\$59,470	\$20,069	\$0	\$0	\$0
Grandfather HCL Support (incl. SNA and SV)	\$606,786	\$462,637	\$342,037	\$132,668	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total USF Support	\$1,675,310	\$1,502,397	\$1,288,146	\$1,090,678	\$974,100	\$1,015,398	\$1,069,641	\$1,112,764	\$1,201,903	\$1,344,017	\$1,449,032	\$1,554,246
Impact on USF:	\$143,594	\$100,233	\$30,937	(\$7,250)	\$51,672	\$247,728	\$305,769	\$353,341	\$446,876	\$593,333	\$702,639	\$812,093

**Analysis of USF Impact Proposed RLEC Plan
ILEC Company C**



Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
1.) Projected USF Support Under Proposed Plan	\$1,675,310	\$1,502,397	\$1,288,146	\$1,090,678	\$974,100	\$1,015,398	\$1,069,641	\$1,112,764	\$1,201,903	\$1,344,017	\$1,449,032	\$1,554,246
2.) USF Support as of Year 1 Under Current Rules	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716	\$1,531,716
3.) Impact over Year 1 USF Support (Ln 1 - Ln 2)	\$143,594	(\$29,319)	(\$243,570)	(\$441,039)	(\$557,616)	(\$516,319)	(\$462,076)	(\$418,952)	(\$329,813)	(\$187,699)	(\$82,684)	\$22,529
Percent Change in USF Compared to Year 1:	9%	-2%	-19%	-40%	-57%	-51%	-43%	-38%	-27%	-14%	-6%	1%
4.) Projected USF Support Under Proposed Plan	\$1,675,310	\$1,502,397	\$1,288,146	\$1,090,678	\$974,100	\$1,015,398	\$1,069,641	\$1,112,764	\$1,201,903	\$1,344,017	\$1,449,032	\$1,554,246
5.) Projected USF Support Under Current Rules	\$1,531,716	\$1,402,164	\$1,257,209	\$1,097,928	\$922,428	\$767,670	\$763,872	\$759,423	\$755,027	\$750,684	\$746,393	\$742,153
6.) Impact on USF (Ln 4 - Ln 5)	\$143,594	\$100,233	\$30,937	(\$7,250)	\$51,672	\$247,728	\$305,769	\$353,341	\$446,876	\$593,333	\$702,639	\$812,093
Percent Change in USF:	9%	7%	2%	-1%	6%	32%	40%	47%	59%	79%	94%	109%
7.) Major Components Impacting Change in USF:												
a.) Middle Mile Component	\$53,955	\$56,967	\$60,107	\$63,375	\$66,900	\$70,616	\$74,461	\$78,498	\$82,754	\$87,241	\$91,970	\$96,957
b.) Broadband Interoffice Cost	\$349,438	\$332,745	\$292,086	\$285,874	\$281,152	\$278,612	\$276,163	\$273,160	\$270,190	\$267,252	\$264,346	\$261,472
c.) Phase in of Broadband Loop Cost	\$44,536	\$99,809	\$165,021	\$239,895	\$326,422	\$424,819	\$541,886	\$673,067	\$822,941	\$993,767	\$1,093,143	\$1,192,520
c.) Effect of 10% Rate of Return	(\$3,360)	\$7,038	\$20,003	\$34,679	(\$14,022)	(\$4,434)	(\$2,338)	\$34,679	(\$14,022)	(\$4,434)	(\$2,338)	\$1,825
d.) Corporate Operations Expense Limitation	(\$164,965)	(\$172,204)	(\$179,534)	(\$187,053)	(\$250,427)	(\$280,361)	(\$315,517)	(\$356,831)	(\$405,112)	(\$461,584)	(\$491,867)	(\$521,965)
e.) Broadband Benchmark	(\$136,011)	(\$224,123)	(\$326,747)	(\$444,020)	(\$358,352)	(\$241,525)	(\$268,885)	(\$349,231)	(\$309,875)	(\$288,908)	(\$252,615)	(\$218,715)
Total Change	\$143,594	\$100,233	\$30,937	(\$7,250)	\$51,672	\$247,728	\$305,769	\$353,341	\$446,876	\$593,333	\$702,639	\$812,093
8.) Projected Broadband Take Rates:	53.49%	57.62%	62.04%	66.73%	71.90%	77.44%	83.36%	89.68%	96.48%	100.00%	100.00%	100.00%

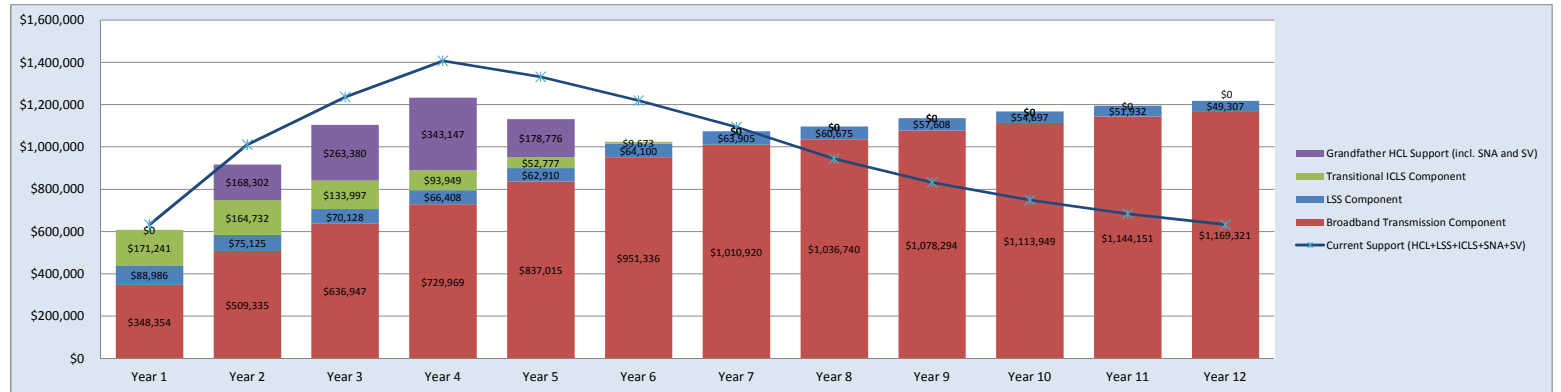
Analysis of USF Impact Proposed RLEC Plan
ILEC Company D



CAF Impact Projections @ 10% 12 Year Transition vs. Current Support @ 11.25%

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<u>Current Support at 11.25%</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
HCL	\$7,528	\$305,000	\$514,208	\$706,119	\$646,280	\$548,174	\$437,696	\$309,961	\$219,503	\$155,444	\$110,080	\$77,955
SNA	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SAFETY VALVE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ICLS	\$532,286	\$626,985	\$649,887	\$632,946	\$619,899	\$605,322	\$590,183	\$572,383	\$555,119	\$538,377	\$522,139	\$506,391
LSS	\$93,460	\$78,713	\$73,027	\$68,810	\$64,814	\$66,113	\$65,816	\$62,103	\$58,599	\$55,294	\$52,174	\$49,231
Current Support (HCL+LSS+ICLS+SNA+SV)	\$633,274	\$1,010,698	\$1,237,122	\$1,407,875	\$1,330,993	\$1,219,608	\$1,093,695	\$944,447	\$833,222	\$749,114	\$684,393	\$633,576
<u>CAF Impact Projections @ 10% 12 Year Transition</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	<u>Year 11</u>	<u>Year 12</u>
Broadband Transmission Component	\$348,354	\$509,335	\$636,947	\$729,969	\$837,015	\$951,336	\$1,010,920	\$1,036,740	\$1,078,294	\$1,113,949	\$1,144,151	\$1,169,321
LSS Component	\$88,986	\$75,125	\$70,128	\$66,408	\$62,910	\$64,100	\$63,905	\$60,675	\$57,608	\$54,697	\$51,932	\$49,307
Transitional ICLS Component	\$171,241	\$164,732	\$133,997	\$93,949	\$52,777	\$9,673	\$0	\$0	\$0	\$0	\$0	\$0
Grandfather HCL Support (incl. SNA and SV)	\$0	\$168,302	\$263,380	\$343,147	\$178,776	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total USF Support	\$608,581	\$917,494	\$1,104,452	\$1,233,473	\$1,131,478	\$1,025,110	\$1,074,825	\$1,097,415	\$1,135,903	\$1,168,645	\$1,196,083	\$1,218,628
Impact on USF:	(\$24,693)	(\$93,204)	(\$132,670)	(\$174,402)	(\$199,515)	(\$194,499)	(\$18,870)	\$152,968	\$302,681	\$419,531	\$511,690	\$585,052

**Analysis of USF Impact Proposed RLEC Plan
ILEC Company D**



Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12
1.) Projected USF Support Under Proposed Plan	\$608,581	\$917,494	\$1,104,452	\$1,233,473	\$1,131,478	\$1,025,110	\$1,074,825	\$1,097,415	\$1,135,903	\$1,168,645	\$1,196,083	\$1,218,628
2.) USF Support as of Year 1 Under Current Rules	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274	\$633,274
3.) Impact over Year 1 USF Support (Ln 1 - Ln 2)	(\$24,693)	\$284,220	\$471,177	\$600,198	\$498,203	\$391,835	\$441,550	\$464,140	\$502,628	\$535,371	\$562,809	\$585,354
Percent Change in USF Compared to Year 1:	-4%	31%	43%	49%	44%	38%	41%	42%	44%	46%	47%	48%
4.) Projected USF Support Under Proposed Plan	\$608,581	\$917,494	\$1,104,452	\$1,233,473	\$1,131,478	\$1,025,110	\$1,074,825	\$1,097,415	\$1,135,903	\$1,168,645	\$1,196,083	\$1,218,628
5.) Projected USF Support Under Current Rules	\$633,274	\$1,010,698	\$1,237,122	\$1,407,875	\$1,330,993	\$1,219,608	\$1,093,695	\$944,447	\$833,222	\$749,114	\$684,393	\$633,576
6.) Impact on USF (Ln 4 - Ln 5)	(\$24,693)	(\$93,204)	(\$132,670)	(\$174,402)	(\$199,515)	(\$194,499)	(\$18,870)	\$152,968	\$302,681	\$419,531	\$511,690	\$585,052
Percent Change in USF:	-4%	-9%	-11%	-12%	-15%	-16%	-2%	16%	36%	56%	75%	92%
7.) Major Components Impacting Change in USF:												
a.) Middle Mile Component	\$35,372	\$37,166	\$39,025	\$40,947	\$42,998	\$45,176	\$44,984	\$44,087	\$43,208	\$42,346	\$41,502	\$40,674
b.) Broadband Interoffice Cost	\$43,995	\$45,956	\$46,489	\$44,882	\$43,563	\$42,247	\$40,857	\$39,443	\$38,078	\$36,761	\$35,489	\$34,261
c.) Phase in of Broadband Loop Cost	\$49,982	\$136,681	\$235,699	\$333,751	\$445,423	\$569,508	\$655,223	\$714,884	\$767,791	\$814,433	\$855,269	\$890,731
c.) Effect of 10% Rate of Return	(\$37,168)	(\$40,236)	(\$55,178)	(\$66,394)	(\$56,412)	(\$69,229)	(\$70,778)	(\$66,394)	(\$56,412)	(\$69,229)	(\$70,778)	(\$70,598)
d.) Corporate Operations Expense Limitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
e.) Broadband Benchmark	(\$116,874)	(\$272,772)	(\$398,705)	(\$527,588)	(\$675,088)	(\$782,201)	(\$689,156)	(\$579,052)	(\$489,985)	(\$404,780)	(\$349,792)	(\$310,016)
Total Change	(\$24,693)	(\$93,204)	(\$132,670)	(\$174,402)	(\$199,515)	(\$194,499)	(\$18,870)	\$152,968	\$302,681	\$419,531	\$511,690	\$585,052
8.) Projected Broadband Take Rates:	69.61%	74.65%	80.03%	85.66%	91.79%	98.46%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%